U.S. Department of Justice

United States Attorney
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Press Release

For Immediate Release   For further information contact
April 7, 2005   Sam Dibbley   703-299-3822
Alexandria, Virginia

      Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced today that Ruben Moreno, Jr., age 36, of Knoxville, Tennessee, pleaded guilty before the Honorable Leonard Wexler to one count of conspiracy to commit wire fraud in connection with his employment with America Online, Inc. (AOL) in 2003 as a Vice President for Human Resources. Moreno faces a maximum penalty of 20 years imprisonment, a $250,000 fine, and full restitution. Sentencing is set for June 24, 2005, before the Honorable Claude M. Hilton.

      Moreno conspired with Gregory Horton, AOL's Executive Vice President of Human Resources at AOL in Dulles, Virginia, to have AOL pay $100,000 to an outside consultant for what was in fact non-existent work. After receiving the funds and in accordance with Horton's directions, the outside consultant transferred the funds to a company owned by Horton and Moreno. In connection with the matter, Horton pleaded guilty to one count of wire fraud on January 10, 2005, and will be sentenced on April 19, 2005, by the Honorable James C. Cacheris.

      Court documents state that, in a similar scheme using phony consulting contracts, Horton and Moreno also defrauded AutoNation in Fort Lauderdale, Florida, in 2000 and 2001 of approximately $1.5 million. Prior to working for AOL, Horton worked at AutoNation as a Vice President of Human Resources. Moreno worked at AutoNation as a Director of Human Resources for Field Operations.

      "These defendants were serial scam artists who ripped off major companies from the inside." said US Attorney McNulty.

      The investigation was conducted by special agents of the FBI. The prosecution of the case is being handled by Assistant United States Attorney Stephen Learned.

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